

INTERFRESH, INC., et al.,
Plaintiffs,
v.
WASIL OBAID, et al.,
Defendants.

Case No. [18-cv-05674-EMC](#)

ORDER TO SHOW CAUSE

Docket No. 36

Plaintiffs assert that Defendants have stopped making payments due under the parties' settlement agreement and are therefore in default. Docket No. 36. Plaintiffs accordingly request the Court to enter judgment against Defendants in the amount of \$126,989.46. *Id.*

The parties' settlement agreement provides that:

Upon DEFENDANTS' default of this Agreement, PLAINTIFFS shall be entitled to immediately enter and enforce a judgment against Defendants, jointly and severally, on an ex parte basis in the District Court Action. Said judgment shall be for the full Settlement Amount due as alleged herein plus all accrued interest, and filing fees, plus any additional fees and costs incurred in obtaining said judgment, less all payments received prior to default.

Docket No. 33-1 ¶ 6. Per this provision, Defendants' right to object to entry of judgment is limited to "the following grounds and no others: (a) whether default has in fact occurred; (b) whether the sums acknowledged by Plaintiffs as having been received prior to default are accurate; and, (c) whether the amount due under the judgment is accurate." *Id.* The Ninth Circuit has also held that defendants may raise disputes regarding the formation, existence, or terms of the settlement agreement. *See Callie v. Near*, 829 F.2d 888, 890 (9th Cir. 1987).

Defendants are hereby **ORDERED** to show cause why default should not be entered against them. The deadline for Defendants to file a response is **July 24, 2019**. The parties shall

1 attend a hearing on **August 1, 2019 at 1:30 PM**, in Courtroom 5, 17th Floor, 450 Golden Gate
2 Avenue, San Francisco, CA 94102. If Defendants fail to file a response, default will be entered
3 against them in accordance with Plaintiffs' motion and the settlement agreement.

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5 **IT IS SO ORDERED.**

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7 Dated: July 9, 2019

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EDWARD M. CHEN
United States District Judge